

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
AURORA PUBLIC LIBRARY DISTRICT
DEARBORN COUNTY, INDIANA
January 1, 2006 to December 31, 2007



FILED
12/31/2008

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Mary Alice Horton	01-01-06 to 12-31-08
Treasurer	Roger L. Rullman	01-01-06 to 12-31-08
President of the Library Board	Jan Tyler	01-01-06 to 12-31-08



STATE OF INDIANA
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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE AURORA PUBLIC LIBRARY
DISTRICT, DEARBORN COUNTY, INDIANA

We have examined the financial information presented herein of the Aurora Public Library District (Library), for the period of January 1, 2006 to December 31, 2007. The Library's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Library for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

November 6, 2008

AURORA PUBLIC LIBRARY DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 185,865	\$ 895,997	\$ 684,959	\$ 396,903
Gift	527,860	36,197	3,633	560,424
Rainy Day	589,936	51,146	-	641,082
Webpage	3,557	-	3,557	-
State Techonlogy Fund	-	7,950	3,975	3,975
Bond and Interest Redemption	62,730	94,489	107,650	49,569
Library Improvement Reserve	1,723,252	75,169	-	1,798,421
Library Capital Projects	400,413	13,875	24,671	389,617
Construction	2,472	-	2,472	-
Fiduciary Funds:				
Postage	266	163	162	267
PLAC	-	249	249	-
Totals	<u>\$ 3,496,351</u>	<u>\$ 1,175,235</u>	<u>\$ 831,328</u>	<u>\$ 3,840,258</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 396,903	\$ 917,283	\$ 814,244	\$ 499,942
Gift	560,424	32,252	3,460	589,216
Rainy Day	641,082	95,040	-	736,122
Grant	-	2,000	-	2,000
State Techonlogy Fund	3,975	7,950	7,950	3,975
Bond and Interest Redemption	49,569	91,464	109,205	31,828
Library Improvement Reserve	1,798,421	59,623	-	1,858,044
Library Capital Projects	389,617	81,622	15,190	456,049
Fiduciary Funds:				
Postage	267	223	121	369
PLAC	-	600	600	-
Totals	<u>\$ 3,840,258</u>	<u>\$ 1,288,057</u>	<u>\$ 950,770</u>	<u>\$ 4,177,545</u>

The accompanying notes are an integral part of the financial information.

AURORA PUBLIC LIBRARY DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides library services.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Library on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

AURORA PUBLIC LIBRARY DISTRICT
NOTES TO FINANCIAL INFORMATION
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Library contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Library authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Note 7. Purchase of Property

In September 2008, the Library received a donation of \$171,000 from the Aurora Public Library District Foundation. This donation was used to purchase the Aurora Depot property.

AURORA PUBLIC LIBRARY DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost.
Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 3,550
Buildings	1,097,193
Improvements other than buildings	11,510
Machinery and equipment	<u>193,890</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 1,306,143</u>

AURORA PUBLIC LIBRARY DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT
December 31, 2007

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Bonds payable:		
Construction bond	\$ 600,000	\$ 109,925

AURORA PUBLIC LIBRARY DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on November 6, 2008, with Mary Alice Horton, Director; Roger L. Rullman, Treasurer; and Janet Hall-Louden, Business Manager. Our examination disclosed no material items that warrant comment at this time.